

STATEMENT OF MR. JOHN A. WATTS
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BEFORE SUBCOMMITTEE ON CIVIL SERVICE
COMMITTEE ON POST OFFICE AND CIVIL SERVICE
UNITED STATES SENATE
WASHINGTON, D. C. - 1960

H. R. 10695, AN ACT, "TO PROVIDE FOR
THE ROTATION IN OVERSEAS ASSIGNMENTS OF
CIVILIAN EMPLOYEES UNDER THE DEFENSE
ESTABLISHMENT HAVING CAREER-CONDITIONAL
AND CAREER APPOINTMENTS IN THE
COMPETITIVE CIVIL SERVICE, AND FOR
OTHER PURPOSES".

Mr. Chairman and Members of the Committee:

I am John A. Watts, Director of Civilian Personnel, Department of the Air Force. On behalf of the Department of Defense, I want to thank the Committee for this opportunity to present the Department's views on H. R. 10695. I am accompanied today by other representatives of the Department of Defense.

Historically, the Department of Defense has encouraged the interchange of competent civilian employees between overseas and stateside activities. Experience in the military departments has demonstrated the need for filling key civilian positions overseas, especially high-level supervisory positions, with personnel familiar with stateside operations. In addition, the overseas responsibilities of the military departments make it highly desirable that many key civilian positions within the United States be staffed with personnel who have had overseas experience. Both objectives can be satisfied by first inducing personnel

experienced in the operation of the military department concerned to accept overseas assignment and then by insuring that they are properly placed in a stateside position in that department upon completion of the overseas tour.

In attempting to accomplish these objectives, however, the military departments have concluded that large numbers of our best qualified employees and those most needed overseas cannot be motivated to accept such assignments without a minimum statutory guarantee of return to a position comparable to and in the same geographic area as the position which they last held in the United States. Quite naturally, well-qualified career employees want assurance of continuation of their career opportunities.

ACTION TAKEN WITHIN CURRENT AGENCY AUTHORITY

Regulatory Return Rights - The Departments of Army, Navy and Air Force have attempted to solve this problem administratively. Each has a regulation designed to return the employee accepting an overseas assignment to the last position held in the United States or to the best possible assignment that can be made under Civil Service laws and regulations. For example, under Air Force regulations, unless an appropriate vacancy is available when the employee returns, he is considered as returned to his previous position (even though it is occupied), and reduction-in-force procedures are applied. However, unless his retention standing is higher than that of other employees with whom he must compete, he cannot be reassigned to a position at the grade level which he left or even at an acceptable lower grade. Thus, the employee may either suffer a severe financial loss or have

no job at all. In addition, there is always the possibility that actions based on administrative regulations not specifically supported by statute may be reversed in the event of appeal to the courts.

Placement Assistance. The "return rights" regulations have been supplemented by various plans for placement assistance designed to place returning employees in vacant positions at military installations in the United States. Although these plans have been an integral part of our placement programs and have received continued attention and top-level support, the results have not been adequate to meet the need. This is particularly true when cutbacks are taking place in the United States and vacant positions are often cancelled as a means of reaching reduced employment levels.

NEED FOR LEGISLATION

In spite of the attention given to this problem and the solutions attempted within administrative authorities, it has become increasingly difficult to operate an interchange program between stateside and overseas installations. If rotation plans are to be effective, legislative authority is needed to guarantee placement upon completion of an overseas tour for the following reasons:

1. The "return rights" that can be provided under agency regulations do not assure placement.
2. Studies have established that lack of a return placement guarantee is the main reason many of our best qualified employees decline offers of reassignment overseas.

3. As precedent, the Congress has already provided statutory reemployment rights for certain employees who accept overseas assignment outside the Department of Defense.

I should like to comment briefly on each of these points.

First. The return rights provided under agency regulations fall far short of a true guarantee of placement upon completion of the overseas tour. Since it is impossible to predict how an employee's retention standing will compare with the other employees with whom he must compete in reduction in force at the time of his return from overseas, it is impossible to assure him before he leaves that he will have a job at his former employing installation when he completes his overseas tour. This is grossly unfair to the status employee who voluntarily accepts an overseas assignment as a part of his Federal career.

Although the problem has been the subject of extended studies, an adequate solution has not been found within current statutory authorities. Prior to developing a legislative proposal, numerous discussions were held with the Civil Service Commission concerning the problem and its possible solution. The practices of other agencies having overseas activities were reviewed and various alternative plans considered. At the conclusion of this study, representatives of DOD and the Commission agreed that all of the possible plans considered failed to meet the needs of the Department of Defense. It was the consensus that within the framework of existing statutory authority the military departments cannot develop interchange programs which

are administratively feasible and at the same time provide employees with adequate assurance of continuous employment.

Second. Under current operations our best qualified employees are frequently unwilling to go overseas and the lack of a return placement guarantee is the main reason for their declinations. This was demonstrated within the Air Force when our largest bureau, the Air Materiel Command, was confronted with a major staffing problem abroad. To meet this problem, it devised and put into operation a formalized plan for rotating key civilians between its overseas and stateside installations. Briefly, the plan provided that critical positions overseas at the GS-11 level and above be designated "overseas rotation positions." To provide a recruitment base for these positions, corresponding positions within the United States, at the same or lower level and requiring experience similar to that required in the overseas positions were designated "support positions." Those incumbents of the support positions who had demonstrated their competence and suitability for overseas assignment were then circularized to ascertain the number who would volunteer for service overseas for two years with a possible two-year extension. In spite of the top-side support given to promoting the rotation plan and the excellent job that was done in explaining its provisions to employees, on an overall basis, less than one out of each ten employees occupying the designated positions were willing to accept overseas assignment. Whereas for some localities and for some positions no one in this group indicated availability.

A survey was then conducted among those who had declined to participate in the Rotation Plan. Employees were asked to indicate the "most important reason for declining to sign the rotation agreement." Of the responses obtained from over 2,000 employees, 39% gave lack of guaranteed reemployment as their reason for declining. This group is more than twice as large as that indicating any other reason. The other categories were relatively small and for the most part the reasons were personal to the employee rather than related to conditions of employment.

The findings based on an Air Force-wide study were similar. An attitude survey of management personnel was conducted at all Air Force installations in the United States. It was designed to obtain objective information on which to base administrative action to assure maximum recruitment, utilization, and retention of personnel and to obtain back-up data as a partial basis for support of necessary legislative proposals. A 50% sample of all employees in grades GS-12 and above engaged in other than scientific work was selected at random. Three items of the questionnaire related specifically to overseas recruitment. The responses obtained from 3,219 administrators are of particular interest. When asked whether, if given reemployment rights to their present job, they would accept a job with the Air Force overseas at their present grade, 36% replied in the affirmative; 66% indicated that if granted such reemployment rights, they would accept overseas employment at a higher grade. Of the group willing to go at their present grade, one out of three gave lack of reemployment rights as

the main reason why they had not previously accepted or sought overseas employment. These studies have indicated to the Air Force that enactment by the Congress of a statutory guarantee of return placement would make overseas tours attractive and feasible to a higher percentage of our best qualified employees.

Third. Under precedent legislation the Congress has already provided Statutory Reemployment Rights for certain Federal employees assigned overseas outside the Department of Defense. For example, employees transferring from a Federal agency to Foreign Service Reserve positions have statutory reinstatement rights to the agency from which they transferred when their overseas assignments terminate. Under this same statutory authority, Federal employees who accept certain positions in foreign areas with the International Cooperation Administration are given reinstatement rights to their former employing agency. P. L. 85-795, recently enacted, grants reemployment rights to Federal employees who transfer to certain international organizations. Under these statutory authorities an employee of a stateside military installation has a stronger guarantee of placement on completion of an overseas assignment in another agency than the employee who is assigned to an overseas position in his own military department.

ENACTMENT OF H. R. 10695 RECOMMENDED

Such enactment would authorize the Secretary of Defense and the Secretaries of the military departments to grant return rights to employees who accept assignment outside the United States at management's request. This right is restricted by the bill to employees who

hold career and career-conditional appointments in the competitive service. It would guarantee these employees upon satisfactory completion of duty outside the United States the right to be returned to their former positions or, if such positions no longer exist, to one of at least the same grade in the same geographical area. This represents a minimum right, but does not in any way preclude their being placed in a position of a higher grade under the agency's normal placement or promotion programs. As a matter of fact, consistent with the basic objectives of the agencies' interchange and career development programs, every effort will be made to place a returning employee in a vacant position at an appropriate grade level which would make maximum use of the experience which he has acquired since leaving his stateside position.

It is anticipated in carrying out the provisions of the act that the position held by the employee immediately before assignment outside the U.S. would be earmarked. Any employee who occupies such a position during the former incumbent's absence overseas would be informed of the right of that employee to be returned to it. When the interim incumbent is displaced by the employee returning from overseas, he will if possible be reassigned to a vacant position at his current grade and salary. If an appropriate vacancy does not exist, he will be reassigned under reduction-in-force procedures. If it is necessary to take reduction-in-force action, the returning employee who is exercising his right to return to his former position will not compete in that reduction in force.

In summary, I believe the proposed act would materially aid the Department of Defense in interchanging its best qualified and experienced employees between stateside and overseas installations. I further believe that it provides an effective and equitable means of assuring the return placement in a stateside position of career employees of the Department of Defense who are willing to accept overseas assignments when they are needed for duty outside the United States. I believe this is particularly important in view of the fact that as a matter of Defense Department policy acceptance by the employee of overseas assignments has been, and it is intended will continue to be, on a voluntary basis.

Analysis of the total effect of the legislation does not indicate that it would result in any increase in overall expenditures. On the contrary, I believe it would result in significant savings through the retention of competent personnel with a consequent reduction in current costs of recruiting and training new employees.

I appreciate the opportunity to appear before this Committee and will attempt to answer any questions you may have.